

## Message Text

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20

ACTION EUR-12

INFO OCT-01 ISO-00 SP-02 AID-05 EB-07 NSC-05 RSC-01

CIEP-02 TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00

COME-00 FRB-01 INR-07 NSAE-00 XMB-04 OPIC-06 LAB-03

SIL-01 DOTE-00 DODE-00 PA-02 USIA-15 PRS-01 /096 W

----- 001423

R 160806Z NOV 74

FM AMEMBASSY LISBON

TO SECSTATE WASHDC 1038

INFO AMCONSUL OPORTO

AMCONSUL PONTA DELGADA

UNCLAS LISBON 5010

E.O. 11652: N/A

TAGS: ETLN, PO

SUBJ: RAILWAY NATIONALIZATION PLANNED

REF: LISBON 3710

1. SECRETARY OF STATE FOR TRANSPORTATION IN WEEKEND SPEECH ANNOUNCED THAT GOP PLANS TO NATIONALIZE COMPANHIA DOS CAMINHOS DE FERRO PORTUGUESES (CP), THE NATIONAL RAILWAYS, BEFORE END OF THE YEAR. LIKE EARLIER NATIONALIZATION OF BANKS OF ISSUE (REFTEL, THIS MOVE IS NOT REALLY OF GREAT SIGNIFICANCE, AS 62.5 PER CENT OF CP'S REGISTERED STOCK IS ALREADY HELD BY GOVERNMENTAL ENTITIES (44 PER CENT BY THE TREASURY ALONE). LIKE VARIOUS OTHER VITAL NATIONAL ENTERPRISES, ITS ACTIVITIES ARE CLOSELY SUPERVISED AND CONTROLLED BY THE GOVERNMENT.

2. THE GOVERNMENT HAS ALSO BEEN DEEPLY INVOLVED IN CP THROUGH SUBSIDIES NEEDED TO KEEP IT IN OPERATION. THE RAILWAY SYSTEM, ANTIQUATED AND NEEDING STRONG INFUSIONS OF CAPITAL FOR REPAIR AND UPGRADING, WILL HAVE AN ESTIMATED DOLS 50 MILLION DEFICIT AND NEED FOR DOLS 120 MILLION IN CAPITAL

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FOR 1974. CP'S WAGE BILL ALONE WILL EXCEED ITS TOTAL GROSS

RECEIPTS FOR THE YEAR. CURRENT GOVERNMENT DEVELOPMENT PLANS  
IN PREPARATION GIVE IMPROVEMENT OF RAILWAYS HIGH PRIORITY.  
SCOTT

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NATIONALIZATION, BANKS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 NOV 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974LISBON05010  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740331-1022  
**From:** LISBON  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1974/newtext/t19741137/aaaabews.tel  
**Line Count:** 64  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
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**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 14 NOV 2002  
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30 JUN 2005

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**Review Transfer Date:**  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** RAILWAY NATIONALIZATION PLANNED  
**TAGS:** EFIN, PO  
**To:** STATE  
**Type:** TE  
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